



DEPARTMENT OF THE NAVY
OFFICE OF THE CHIEF OF NAVAL OPERATIONS
WASHINGTON, D.C. 20350

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1057
21 DEC 1967

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From: Director, Western Pacific and Indian Ocean Bases Study Group
To: Central Intelligence Agency

Subj: Assistance in quantifying intelligence estimate and projections;
request for

- Encl: (1) Copy of Chapter I, Political-Military Analysis (Sections A-F),
WESPAC and Indian Ocean Bases Study
(2) Quantification of Probability that Certain Events Will Occur
During the Period 1967-1980

1. In the study of future U. S. Navy base requirements in the Western Pacific and Indian Ocean area, it is essential to analyze various options. The analysis involves consideration of the cost and effectiveness of alternative base structures to support naval forces responding to contingency operations. Critical to the latter is an assessment of the threat, not only that posed by Communist countries in the area but also of civil strife and intra-area hostilities.

2. But the likelihood of various threats must be quantified in order to be used in the numerical calculation of comparative advantages among the several alternative basing structures. Obviously this can at best be a subjective intuitive representation, and your views will be taken (and used) in this manner. Of greatest interest will be a comparison of the general magnitude of probability ascribed by the intelligence officers concerned with these geographic areas. We will be most interested should there be a substantial difference of view, e. g. a variation between 40% and 70% probability on the question of whether conflict is likely to occur in the Indian Ocean area.

3. Attached are two documents:

a. Enclosure (1) is a copy of Chapter I of the Interim Report, containing the general view of the two ocean areas which form the basis for our analysis.

b. Enclosure (2) is a list of potential threats, the probability of occurrence of which we would like you to record for us. Your answer is desired on an informal basis, to test the estimates made by members of the study group.

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Director, Western Pacific and
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CHAPTER I

POLITICO-MILITARY ANALYSISA. Introduction1. 1970-1980

Political prediction is a risky enterprise because its success is dependent upon the proper outcome of highly uncertain events. The further one looks into the future, the greater becomes the range of uncertainty which is associated with likely outcomes. Clearly, a study such as this one, which purports "to determine over a range of likely political and military developments in the Western Pacific and Indian Ocean area during 1970-80 viable policies and objectives concerning overseas support facilities . . ." ¹ cannot literally predict the shape of the world of 1970-1980 with any degree of confidence. However, a range of possible politico-military environments can be projected which will anticipate the more probable events.

2. Background

a. The U. S. has been a Pacific power ever since its acquisition of California. Its interests in Asia have been steadily expanding with further acquisitions of Hawaii, Guam and the Philippines. After the Washington Naval Conference and prior to World War II the U. S. depended for the protection of its Asian interest on the British presence East of Suez and a favorable balance of power. The defeat of Japan and the disintegration of European colonial empires have brought about significant changes.

VCNO Ser 0039PT96 of 9 Sept 1967.

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DOD DMR 5400.7-10-1

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First, the U. S. has become the predominant power in Asia. Second, the major threat has shifted from Japan to China.

b. Largely during the 1950's the U. S. gave defense assurances to a dozen nations in the area in support of the regional as well as individual defense efforts of those nations on the periphery of Asian Communism. Agreements were concluded which provided for comprehensive base rights and the stationing of U. S. forces ashore. In recent years, full use of these base facilities has been increasingly constrained by political factors. These constraints seem likely to increase in the future.

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B. The National Interest

1. The central objective of U. S. foreign policy is the protection or promotion of national interests. Other studies in the politico-military field, which are similar to this one, have attempted to define "national interests" in terms which range from the general to the specific. This study will simply state that, in its essence, the most basic national interest is the survival of the U. S. as a people and a nation. Secondary to this is promotion of the well-being of the people of the United States.

2. These basic interests imply the pursuit of objectives which will counter military, political, or economic threats to the United States; and promote conditions which will minimize costs of executing national policy and optimize opportunities for U. S. trade and investment.

Implicit in such objectives is the eventual achievement of a peaceful, stable, and prosperous world-community, for only in such a case can all be achieved.

3. In implementation of these objectives, the basic problem is to identify those situations which do indeed pose threats to the United States, and to determine those actions which will contribute to a peaceful, stable, and prosperous world.

4. Because these are complex problems, there are no simple and easy solutions. The Navy responsibility is to offer a capability which will provide executive authority an instrument of power which gives maximum freedom of action for those unpredictable but inevitable crises which will occur.

C. General Threats to U. S. Interests

1. USSR and CPR. During the decade of the '70s, the U. S. will continue to be confronted by the conflicting policies of both the Soviet Union and Communist China. Each will maintain unilateral pressures to expand its own Communist influence in the World. Each will be intent, not only to counter U. S. programs strengthening the will and ability of the non-Communist world but also will be developing strategic forces with which to pose a direct threat to the survival of the United States. The Sino-Soviet dispute will have a direct influence on the policies of the two countries, and affect the course of their respective expansion efforts. It will not, however, cause either the Soviet Union or Communist China to stop their outward pressure.
2. Communist China. Despite continuing internal problems and the possibility of periodic relaxations of external pressures, China will pursue a policy oriented toward:
 - a. pursuit of its hegemonial aims and traditional imperial ambitions.
 - b. export of its revolutionary communist doctrines.
 - c. development of its nuclear power and overall potential.
 - d. Exploitation of internal weaknesses and external divisions in Southeast Asia.
 - e. elimination of all centers of power outside its own orbit.
3. Soviet Union. The significant new element in the Afro-Asian picture of the 1970's may well be the considerable increase in Soviet presence. The USSR has floated, so to speak, through the southern flank of NATO

and has established itself as a naval power in the Mediterranean with special interests in the Middle East. The Soviet threat will not likely be hegemonial or revolutionary in nature but will be one of extending its political, diplomatic, military, and economic influence. The Soviet drive for influence may even be dampened by the limited convergence of its interests with U. S. interest in checking Chinese hegemony.

4. Internal Conflicts. U. S. positions and interests will probably be put in jeopardy from time to time as a result of internal strife or intra-area conflict. Whether or not such outbreaks are initiated by groups openly sympathetic to or supported by communists outside the area, it is to be expected the communists will attempt to exploit the situation to their own ends. The latter may appear to be only negative, in that communist efforts seek to develop indigenous actions detrimental to U. S. interests. However, in all cases the communists will be seeking to translate any U. S. loss into a permanent gain for their cause.

5. Communist revolutions. This is not to imply that the USSR and CPR will exploit every possible situation whenever it occurs. They will undoubtedly be guided by an overall strategy, and limited by the logistics and management constraints imposed by their overall capabilities. Whether or not they are under Soviet or Chinese control, hostile, communist, nationalist revolutions are a threat to U. S. interests.

6. Nor is it to imply that the United States will be involved in every conflict which may arise in this theater nor that its vital interests depend on the independence or stability of every country. It is crucial however, that the full range of threats be recognized in order that the

United States readiness posture may be structured effectively. Such decision must identify the risks explicitly accepted in the force planning and take into account the advantages of having readily available forces designed and deployed to give multiple options.

D. Specific Threats in the Western Pacific

1. The threats to U. S. interests and its role in the Western Pacific generally can be divided into three categories. First, there are the Communist forces, together with their supporting bases in the area, which can attack the U. S. itself. Secondly, there are the military forces of the Soviet Union, Communist China, North Korea, and North Vietnam which can be used to attack countries allied to the U. S. and U. S. bases therein. Thirdly, there is the potential of internal or intra-area strife in or between countries either allied with or friendly towards the U. S. which could bring about an environment prejudicial to U. S. interests.

2. Communist Strategic Forces. At the present only the Soviet Union has nuclear weapon systems that could attack the U. S. The principal component of this threat is the Soviet ICBM force, most of which is based in Central and Western Russia. The Soviets also have missile-launching submarines based along the Siberian coast which could be deployed to attack the United States. IRBM's are in positions in the Maritime Province from which they can launch strikes at Alaska. Soviet medium and heavy bombers, based in the same area, can attack Alaska, Hawaii, and Western mainland U. S. In the future the ICBM and submarine missile forces will undoubtedly be strengthened, both in numbers and capabilities.

3. In the event of a general nuclear war, elements of the Soviet strategic forces could be used against U. S. bases in the Western

Pacific. They could also be used to cause Asian countries to accede to their wishes under threat of nuclear attack.

4. The anticipated development of Chinese Communist nuclear strike forces could enhance the Communist strategic threat to the U. S. and to its forces in the area. By 1980, the Chinese Communists are expected to have an MR/IRBM force capable of attacking all Asian countries, from Pakistan east. U. S. bases in the area, including Guam, would be within range. It is also anticipated that they will have a small ICBM force. Chinese Communist aircraft equipped with nuclear bombs will supplement the missile forces, and could be a direct, though not highly effective threat to U. S. CVA forces. It is not anticipated that the Chinese Communists will be able, in this time period, to develop effective ASW systems or an effective, modern SSBN force.] 1

5. Limited-War Forces. The most demanding threat with which U. S. forces in the Western Pacific must cope is that of less than general war around the periphery of Communist China. The sizeable non-nuclear military forces existing in the Soviet Union and the Asian Communist countries pose a considerable threat to U. S. treaty commitments and declared positions of interest. These Communist forces are present in the area, and their strength is readily apparent to non-Communist Asian governments. In no single case is a non-Communist Asian national military establishment capable of defending its homeland with its own capabilities.

6. The threat of military invasion will continue in the three areas of unresolved claims to national sovereignty-- Korea, Taiwan, and

the pertinent Communist regime will have as its objective a resolution in favor of its acquiring the areas under non-Communist control. And on the basis of history, it should be estimated that if there is no outside military force readily available to assist the indigenous defenders the Communists will resort to aggression. The North Koreans did so in 1950; the Chinese Communists apparently were on their way with respect at least to Matsu and Quemoy in 1956; and the transposition of the Communist attack in Vietnam from insurgency to the current invasion by North Vietnamese troops is in the same pattern.

7. The current capabilities of the Communist forces can be delineated by the force levels of major elements, as follows:

	Army Divisions	Tactical Aircraft (Jet fighters & bombers)	Naval Forces			Patrol Craft	Missile Launching		
			Attack Subs	DD/DE	CL		Subs	DE	CL
Soviet	11	930	68	41	5	250	33	5	2
Chicom	161(106 INF)	2,630	33	12	-	541	1	-	-
North Korea	23 (19 INF)	563	2	68	-	-	-	-	-
North Vietnam	12 (11 INF)	81	-	-	-	36	-	-	-

It is anticipated that these levels at least will be maintained and that these weapons systems will be improved.

8. Communism's expansionist ambitions have been thwarted during the Cold War on two fronts: by a strong, economically resurgent Europe in the West and by U. S. military power in the East. This stalemate is causing a noticeable shift toward the south in the focus of Communist

attention. Their efforts in Southeast Asia are militant and highly visible, with the war in Vietnam and insurgent and guerilla actions in Laos, Thailand, Malaysia, and Burma. Not so apparent is the shift in Communist pressure toward the south on the western front as the U.S.S.R. pursues a drive for power and influence in the Middle East.

a. The immediate purpose of this new Soviet drive is not principally one of dominating, in the sense of communizing, the Arab world, although that objective may have its place in Soviet long-range planning. The Soviets immediate interests are in undermining CENTO and, if possible, NATO, in undercutting U. S. position and influence, and in gaining defacto control of an area of crucial strategic importance. Their ultimate success would yield a tremendous economic bonanza and produce great political leverage by control of Mid-East oil, 1/3 of the world's total annual production and the source of 2/3 of Europe's supply.

b. The Middle East is an area of vital concern to the United States. From the strategic viewpoint, it is the corridor which connects Europe with the Indian Ocean, East Africa, India, Indonesia, Australia, and the Far East. Any nation based in Egypt can move at will into Africa, Asia, or Europe. The growing Soviet influence in the Egyptian army and the deployment of Soviet naval units out of Alexandria and Port Said have given the U.S.S.R. a strong military position in Egypt. If and when Suez is again opened, the U.S.S.R. could use support derived from Egyptian facilities to patrol south and eastward into the Indian Ocean. The U.S.S.R. has given substantial aid to Somalia. The new South Arabian state may become a close associate of Egypt and thus be receptive to

Soviet assistance, in which case, Aden bases could become sources of support for maintaining a Soviet naval presence in the Indian Ocean. They have used their Navy skillfully in the Eastern Mediterranean and give evidence of developing a naval strategy beyond the traditional defensive role.

9. The Communist regimes can also count on the existence of Communist-oriented insurgent groups in many Asian countries. Currently they are present in the Philippines, Laos, Thailand, Malaysia, and Burma. Residual elements of the PKI (Communist Party) probably remain in Indonesia. If the governments in these several countries find it difficult to make progress in the economic, political, and social environments, one or more of these groups potentially (and especially with clandestine support from outside) can emulate the Viet Cong insurgency in Vietnam. The non-Communist orientation of the countries will also be jeopardized if they do not develop effective internal security forces, to keep pace with the increased effectiveness of their armed forces.

10. These non-Communist Asian countries will be able to remain outside the "Red" boundaries only if they continue to receive support from the industrial West, especially the U. S. At critical times, they may well require visible signs of U. S. willingness to fend off Communist efforts, e.g., the showing of the U. S. flag by its military forces.

11. The U. S. ability to maintain its interests in the Western Pacific will also be affected by the willingness of its allies to remain so associated. In the case of Japan there are strong elements which

believe it to be in Japan's interest to be neutral in order to exploit the wide market they continue to see in Communist China. On the other hand, there is a growing sense of national pride which is giving rise to a desire to lessen Japan's identification with U. S. military power. These pressures for disengagement could be substantially intensified should Communist China make a determined effort to open its markets, or if political forces within Japan seize on the continued occupation of Okinawa by the U. S. as a major political issue.

12. With respect to Taiwan, two problem areas will continue to exist. The first is posed by the Chinese Communist avowal to bring Taiwan into the fold as part of China. This might become a problem as the present leadership of the National government dies. The mainlanders will form an increasingly smaller proportion of the population on Taiwan and will be confronted eventually with a choice between becoming a part of the Taiwanese community or seeking some basis for returning with Taiwan to become once again a part of mainland China. Interrelated with the above is the problem posed by the undercurrent of Taiwanese desire to be first-class citizens. This could become a source of political instability. It might jeopardize U. S. positions thereby giving the Chinese Communists an opportunity.

13. In the Philippines, there will continue to be weak spots in economic growth and in government administration. In particular, none of the recent Filipino governments have been effective in attacking such major problems as corruption in government and reform in the organization and operation of the economic structure. Reaction to these failures could provide a springboard for another attempt by the Huk movement to seize power. It should be noted that the Huk strength is reported growing.

Should extensive civil strife develop, it would certainly threaten the U. S. position there. A war of insurgency should not be excluded as a potential development.

14. Finally, there remains the potential threat embodied in intraregional warfare. This was exemplified by Sukarno's war effort against Malaysia. Not only did this give internal and external Communists an opportunity to give support to Indonesia, but it also distracted Malaysia from making more effective progress in solving some of its internal problems. In the future similar difficulties could be raised by a clash between Cambodia and Thailand or South Vietnam over unresolved territorial issues. This sort of conflict can present difficult problems, since by definition it would be between two non-Communist countries. Though the U. S. might attempt to support neither, the Communists would feel free to choose sides. If they are fortunate they could come out on the winning side, with the resultant improvement in their positions.

15. The strengths and weaknesses of the countries adjacent to the Communist-ruled areas of the Western Pacific will have a major impact on the U. S. posture in the area. In particular, the U. S. has major military installations in all countries mentioned above, except Laos, Cambodia, Malaysia, and Indonesia. Their availability has been a major factor entering into the strategy, service doctrine, force deployment, and to a lesser extent weapon-system development of all U. S. military services, especially that of the U. S. Navy. Thus, any change in the availability of bases could not help but cause a change in the U. S. military posture in the Western Pacific. The expected British close-down of their base at Singapore is a case in point.

E. Specific Threats in the Indian Ocean Area

1. The extent to which U. S. interests in the Indian Ocean are and will be threatened is not as readily apparent as in the Western Pacific. In part this results from the U. S. having a formal military commitment in the area only to Pakistan. In part it is a result of the British presence there which tended to give a degree of protection to U. S. interests. Finally, the Communists have not been as aggressive there as they have in the European/Mediterranean area and in the Far East. But the lack of definition in the past does not give assurance that the situations will remain unchanged in the future; in fact there is every reason to expect major shifts in this area during the next decade or so. With change comes all the imponderables caused by secondary reactions and interaction.

2. Communist Strategic Forces. There are no Soviet strategic offensive forces in the Indian Ocean area. On the other hand, there are missile launch sites in the Soviet Union from which countries in the area could be threatened or attacked. Eventually Communist China will have a similar capability. The area is also in range of Soviet bombers, although there are no indications they have practiced deployment to operate against this area.

3. From the U. S. point of view, the Indian Ocean, especially the Arabian Sea, could be a useful launch area for Polaris missiles. Major industrial areas as well as strategic force bases would be within range. U. S. deployment here could have a significant effect on Soviet ABM

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deployment. To the extent that coverage to the South was not planned, there would have to be a change at substantial increase in cost and effort.

4. Limited-War Forces. Again the Indian Ocean area differs substantially from others around the Soviet Union/Communist China heartland. The areas of confrontation between Communist and non-Communist forces are generally far removed from major population centers and encompass some of the most forbidding geography in the world--the high, dry barren area of the Himalayas; the desert area to the west, north of Pakistan and Afghanistan, and the heavily jungled area to the east along the Assam and Burmese borders. While these areas are obviously passable to ground forces, as demonstrated by the Chinese Communist attack on India, there are significant limitations to the size of units which can be supported and the speed with which they can move.

5. The armed forces of Pakistan and India, individually, could, at least initially slow down, or temporarily stop any non-nuclear attack by the Soviet Union or Communist China. However, the Paks and the Indians could maintain armed resistance only if they were to receive large scale material support from outside. Within a short period they would also require additional air support, with the aircraft flown by pilots of countries offering support. Without outside naval support their navies would be unable to protect the inflow of supplies should the Communists receive naval base rights near the Indian Ocean area and attempt to close off external supply routes.

6. None of the armed forces of other countries in the area could offer more than token resistance to an overt Communist attack. Though it is anticipated that the Indian and Pakistani forces will continue to see normal upgrading in the 70's, it is estimated that there will be little

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increase in capabilities of the military forces of the other countries.

It should be noted that the acquisition of a limited nuclear capability by India could substantially change its force balance with respect to Communist China (and Pakistan) but would have little effect vis-a-vis the Soviet Union. It is estimated that India has the technical capability to build nuclear weapons within a few years after a decision is made.

7. The Soviet and Chinese Communist capabilities to attack successfully in the Indian Ocean area can be expected to improve. The Chinese road-building program in Tibet and South China will help. Also there may be some improvement in Chinese Communist tactical air forces. The Soviet Union, on the other hand, will augment its capability by acquisition of large, long range jet transport aircraft and building at least a few more fleet units adaptable to support operations ashore.

8. Potentially the most significant change in the Soviet threat to the area could come about as a result of their efforts to support the Arabs against the Israelis. If and when the Suez is opened again, the Soviets, because of a similarity of units in the Egyptian navy, might use UAR bases and begin to patrol south and eastward into the Indian Ocean. The Soviets have given substantial aid to Somalia. The South Arabian state may end up a close associate of the UAR and thus be receptive to Soviet assistance. Aden might in time be available for at least a minimal level of support essential to maintain a Soviet naval presence in the Indian Ocean.

9. Political and Economic Activities/Clandestine Support to Insurgents.

The African and Middle East countries on the shores of the Indian Ocean are among the most newly independent countries in the world. Even under normal circumstances, if they follow the apparent pattern of their

predecessors they will go through several changes of government, one or more of which will be brought about by the threat or use of force. There is ample opportunity for the Communists to engage in clandestine efforts to aid and abet these planning coups and to attempt to take them over. The fact that the Communist record to date in the Middle East and Africa has been poor should not be taken to mean that they will stop trying. From the U. S. point of view such efforts not only are inimical to its overall objective of each people making their own choice, but may threaten economic interests and American lives.

10. From Pakistan West, around the shores of the Indian Ocean there is somewhat greater stability. But two potentially explosive situations remain. India is under such pressure to achieve visible progress in the economic and social field that it may become too great, and civil disturbance, if not wide spread civil war, could develop. The other threat is the continuing unresolved relationship between India and Pakistan. The mutual hatred is apparently such that popular pressure for war is easily generated. Either of these developments would be of the greatest concern to the U. S. Pakistan is still an ally and India has been the major recipient of U. S. aid. The U. S. has made it very clear that India must succeed to show the Asians there is an alternate way to economic growth, social well-being, and national power.

F. SUMMARY

1. In summary, during the 1970's, the U. S. will be confronted by threats to its position in the Western Pacific and the Indian Ocean, the more important of which would appear to be the following:

a. An increased Communist nuclear force of IRBM's, ICBM's, and aircraft capable of striking U. S. allies and bases.

b. A continuing pressure by the Communist countries to expand the boundary of Communism, using all means short of overt aggression -- political and economic assistance, military training and aid, and clandestine support to insurgent groups.

c. The continuing potential for civil strife and insurgency in most countries of the area with its attendant threat to U. S. interests, including investment and lives of citizens.

d. Communist preparedness to take advantage of any withdrawal of U. S. military strength and to move overtly against the country thus opening up.

e. The potential for change in the political environment of major U. S. allies which could seriously affect the present base structure for the strategy of forward deployment.

f. The possibility of intraregional warfare, which could have substantial effects on the U. S. posture.

g. A potential growth of Soviet presence in the Indian Ocean area, in part an outgrowth of its actions in support of the Arab states against the Israelis.

2. Despite the rising influence of other powers in the area (e.g., Japan, India, Indonesia), the U. S. will remain the predominate power in Africa and Asia. For some time, the U. S. will provide the only significant military counterpoise to China. The greatest problems for the U. S. may be those of choosing what form of power--political, economic, technical, military--to apply and where and when to apply it. Caution will be required in avoiding commitments which do not serve the national interest.

On the other hand, an absence of Western power in the Indian Ocean after the British have withdrawn from east of Suez will invite Soviet and Chinese intervention. United States policy makers will need to open up and maintain the option to exercise political and military influence in this area as well as the Western Pacific when and as they find it in the U. S. interest to do so, an austere base for naval forces may enhance this option.

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~~ENCLOSURE~~ - Enclosure #2 not included